

This record is a partial extract of the original cable. The full text of the original cable is not available.

141242Z May 05

C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002183

SIPDIS

STATE PASS AIT/W

E.O. 12958: DECL: 02/01/2015

TAGS: [PREL](#) [PGOV](#) [PINR](#) [CH](#) [TW](#)

SUBJECT: DPP PREVAILS IN NATIONAL ASSEMBLY ELECTION

REF: A. TAIPEI 2066

[1](#)B. TAIPEI 2114

Classified By: AIT Director Douglas Paal, Reason: 1.4 (B/D)

[1](#)1. (C) Summary: The ruling Democratic Progressive Party (DPP) surpassed expectations, securing 127 seats (43 percent) in the May 14 National Assembly (NA) election. The KMT failed to achieve its goal of emerging as the largest party, winning 117 seats (39 percent). The DPP-KMT's combined 83 percent vote share should ensure that the package of constitutional reforms passed by the Legislative Yuan (LY) last summer will be confirmed. The Taiwan Solidarity Union (TSU) and People First Party (PFP) had hoped to win at least a quarter of the vote to have a shot at blocking the measures, but both parties fell well short of their projections. The election results are expected to be particularly damaging to the PFP, which dropped to last place among the major parties, despite recent media attention over party Chairman James Soong's May 12 meeting with PRC President Hu Jintao. While the Pan-Blue has cited a record low turnout rate (23 percent) to downplay the significance of the election, the DPP's strong showing should boost President Chen Shui-bian as he seeks to defend his domestic and cross-strait policies from critics on both sides. End Summary.

Taiwan Elections Pro-Reform National Assembly

[1](#)2. (C) The National Assembly (NA) elected on May 14 will be dominated by parties committed to approving constitutional amendments passed by the Legislative Yuan (LY) in August, 2004 (Ref A). Out of the 300 seats up for grabs, 249 (83 percent) were allotted to parties, primarily the DPP and KMT, committed to passing the legislation. Opponents of the reforms, primarily smaller parties and activist group, won only 51 seats (17 percent). Failure by anti-reform parties to secure 25 percent of the seats make it almost impossible for smaller parties to use procedural mechanisms to derail the reform package, which will among other things create an election system favoring large parties. While turnout was a record low 23 percent, Premier Frank Hsieh announced that the election results were fully valid.

The DPP Beats Expectations

[1](#)3. (C) President Chen Shui-bian's DPP exceeded its own projections, securing 127 seats (43 percent) of the 300 up for grabs in the May 14 election. The DPP defied fears of a major setback, maintaining its status as the largest party and increasing its percentage of the vote over the December 2004 LY election by nearly seven percentage points. DPP Chairman Su Tseng-chang, who had threatened to resign if the DPP did not secure the number one slot was clearly ecstatic at the results. Media commentators also cited the DPP's strong showing as a validation for Chen's controversial last minute campaign attacks on various political leaders (Ref B). On the eve of the election, National Security Council (NSC) Secretary General Chiou I-jen asserted that while Chen's

SIPDIS
recent rhetoric clearly offended many centrist and Pan-Blue voters, Chen had clearly succeeded in re-energizing the DPP's core support base. Executive Yuan (EY) Secretary General Lee Ying-yuan told AIT that the DPP's victory will provide a major morale boost going into the December 2005 local election campaign. He also asserted that the results demonstrated that the Pan-Blue will be unable to leverage its recent contacts with the Mainland into more votes at the polls.

KMT Gains Seats, but Suffers Moral Defeat

[1](#)4. (C) In contrast to celebrations at the DPP, the mood at KMT headquarters was subdued. The KMT's share of the vote also increased over its performance in the LY election (from 33-39 percent), but KMT expectations that it would pass the DPP's vote share in the wake of Chairman Lien Chan's recent visit to the Mainland failed to pan-out. Just before polls

closed on May 14, KMT Spokesman Chang Jung-kung boasted that public enthusiasm over Lien's historic visit may put the party over 130 seats. After the returns were announced, Chang's Deputy, Cheng Li-wen, blamed rain and overly complicated ballot procedures for the KMT's second place (117 seats) showing. In his formal statement, Lien asserted that the election did not reflect public opinion, since heavy rains in northern and central Taiwan suppressed turnout. However, Lien touted the success of parties committed to constitutional reforms and noted the increase in the share of the KMT's vote over the December LY election.

TSU Moves to Number Three After PFP Collapse

SIPDIS

15. (C) TSU officials put a positive spin on its showing (21 seats), despite the fact that its support rate (7 percent) did not even reach the disappointing 8 percent gained in the December LY election. However, TSU Chairman Su Chin-chiang boasted that the party has for the first time surpassed the PFP and moved up to become the third largest party in Taiwan politics. The Taiwan media cast the election as a "double win" for the Pan-Green camp, even though the TSU and DPP are on opposite sides of the issues to be addressed by the NA.

16. (C) PFP officials were apoplectic over the party's abysmal performance. The PFP won only six percent of the vote, and 18 seats, despite expectations that James Soong's election eve visit to Beijing would boost the party's showing. The PFP's share of the vote was far worse than its poor showing in the recent LY election (14 percent), leading to questions over the party's future viability. James Soong publicly blamed the PFP's election results on what he alleged were politically motivated tax evasion cases filed against him in a local administrative court (Comment: media coverage in the days leading up to the election was dominated by Soong's visit to the PRC, with almost no reporting on his tax evasion case. End Comment). PFP Legislator Daniel Hwang (Yi-jiao) told AIT on May 14 that it is not clear if the Chen government initiated the cases against Soong for electoral reasons, but said the fact that the government let the charges proceed raises serious questions about future relations between Soong and the President.

Comment: DPP Gets a New Wind

17. (C) Despite the lack of public attention to the May 14 election, a major setback for the DPP could have added major pressure on President Chen from both ends of the spectrum. By the same token, the ruling party's unexpectedly strong showing should provide a major moral boost to the President and signal to Beijing that Chen cannot be avoided. Chen should now have greater room to move ahead on inter-party reconciliation and cross-Strait moderation. The election results may also discourage the KMT from pushing its recent successful contacts with the PRC too far. While the KMT may discount the significance of the NA election, it will now be more difficult for the party to sustain claims that it holds a public mandate to take the lead on cross-Strait policy.
PAAL